## REMARKS

In paragraph 1 of the Action, claims 1-4 were rejected under 35 U.S.C. 103(a) as being unpatentable over Tsuzawa in view of Dumas et al. In paragraph 2 of the Action, claims 5 and 6 were rejected under 35 U.S.C. 103(a) as being unpatentable over Tsuzawa in view of Dumas et al. and Sato et al. However, in paragraph 3 of the Action, claims 7-9 were objected to as being dependent upon a rejected base claim, but were indicated to be allowable if rewritten in independent form.

In view of the rejections and indication of allowability, claim 7 has been cancelled, and the subject matter of claim 7 has been incorporated into claim 1. Also, new claim 10 combining claims 1 and 5-7 have been filed. Claim 10 is allowable as stated in the Action. Now, new claim 1 will be explained below.

Namely, the printer of the invention includes, in addition to the basic structure, the containing section arranged below the cutting device for containing the four edges of the recording medium cut by the cutting device so that the two side edges of the recording medium drop in the containing section in a curved path, and leading and trailing end edges of the recording medium drop in the containing section vertically.

A photographic printer in Tsuzawa has a cutter 71 for cutting the terminal end of photographic paper 54 whose exposure process is completed, and a cutter section 84 with a cutter 88 where each picture is cut. The cutters 71, 88 are spaced apart by color developing tank 74, a bleach fixing tank 76 and rinsing tanks 78. Although the cutters 71, 88 are formed in Tsuzawa, no specific container or containing section for containing the four edges of the recording medium cut by the cutters 71, 88 are shown in the drawings or explained in the specification. The structure of claim 1 including the containing section is not obvious from Tsuzawa.

Dumas et al. was cited to show a printing system having feed means corresponding to the second and third feed means of the invention. Although the feed means are disclosed in Dumas et al., there are no cutter and containing section.

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In Sato et al., an image recording apparatus includes an X-direction cutter having upper and lower rotary cutting blades 19, 20 for cutting a sheet to a desired width, and a Y-direction cutter 9 having a rotary cutting blade 91 and a fixed straight cutting blade 92. A waste sheet 25 is received on a first stacker 12, and margins 26 are stored in a margin stacker 15. In the invention, the containing section is arranged below the cutting device for containing the four edges of the recording medium cut by the cutting device. The first stacker 12 and the margin stacker 15 in Sato et al. are not the containing section as defined in claim 1 of the invention.

The features now claimed in claim 1 of the invention are not obvious from the cited references.

Reconsideration and allowance are earnestly solicited.

Respectfully Submitted,

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